



Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES

April 19, 2018 at 5:30 p.m.

Convened at the District Offices

6530 La Contenta Road, Suite 100, Yucca Valley CA 92284 | 760.820.9229

- **Mission Statement:** *To improve the health and wellness of the communities we serve.*
- **Vision:** *A healthy Morongo Basin.*
- **Core Values:** *Commitment, Collaboration, Accountability, Dignity, Integrity.*

Board of Directors:

- Director Armstrong, President
- Director Doyle, Vice President
- Director Markle-Greenhouse, Secretary
- Director Hoffman

Guests:

- Jenna Hunt, Desert Trail
- Eric Knabe, Z107fm
- Mary Hall, CEO VRS
- Evelyn Ferris, CT Coachworks
- Julie Fontana, MUSD, Wellness Coordinator

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Deborah Anderson, Controller
- Joe Ruddon, Director Business Development
- Cindy Schmall, Director Operations
- Ron Stewart, Executive Director, CHC
- Tricia Gehrlein, Director Population Health

- Beverly Scott, community member
- Linda Evans, Chief Strategy Officer, Desert Market, Tenet

CALL TO ORDER

Director Armstrong called the meeting to order at 5:30 p.m.

ROLL CALL

Tricia Gehrlein, Director Population Health, conducted roll call. Directors Armstrong, Doyle, Hoffman and Greenhouse were present for a quorum. Director Sullivan was not present.

OBSERVANCES

Director Doyle read the mission, vision and core value statements.

Director Greenhouse led the assembly in the pledge to the American flag.

PUBLIC COMMENT None presented.

APPROVAL OF MEETING AGENDA

Motion 18-23: Director Hoffman motioned to approve the meeting agenda as presented; motion was seconded by Director Doyle; motion passed by unanimous vote.

APPROVAL OF CONSENT AGENDA

The Consent Agenda presented the following items for approval:

- Minutes: Regular Meeting of the Board of Directors, March 19, 2018
- Policy: HR-291 Internal Communication (*new*)
- Policy: LD-224 Conflict of Interest Code (*revised*)



Motion 18-24: Director Hoffman motioned to approve the consent agenda as presented; motion seconded by Director Doyle; Director Sullivan abstained; motion passed.

EDUCATION

PURCHASE OF MOBILE CLINIC VEHICLE, *Joe Ruddon, Director Business Development*

Mr. Ruddon presented an overview of the project.

Mr. Ruddon introduced Mary Hall, CEO and Evelyn Ferris, Business Development Manager, CT Coachworks, LLC. Ms. Hall and Ms. Ferris each gave a PowerPoint presentation regarding their product, mobile clinic vehicles. Highlights from the presentation included:

- CT Coachworks has built and provided units throughout the United States
- Units comply with all State and Federal requirements
- 3-year warranty (1 year is industry standard)
- Will take 10-12 weeks to complete
- The proposed vehicle does not require a commercial driver's license because of its size
- Floor plan was included in the presentation
- Units are built on site; repairs (if necessary) have rapid response
- Drivers are fully trained by CT Coachworks
- All unit options were reviewed

Director Doyle asked for the following clarifications:

- The three-year warranty is on all constructed products; the transmission is covered by 5 years
- The life expectancy of the vehicle ranges depending upon use. There are units still in use after 20 years.
- CT Coachworks does not provide ongoing maintenance
- CT Coachworks builds command posts for the County of Riverside; they are similar construction and go onto dirt roads frequently. The unit presented should have no issues with this.
- CT Coachworks does all repairs to the unit (that falls under their build) in house.
- The dental providers have not reviewed the dental equipment; it does meet First 5 recommendations.
- The District would provide interior features (interior signage and small medical equipment) and CT Coachworks would install.
- Grant opportunities may exist for offsetting the cost of the unit purchase, equipment and supplies. This is currently being explored.

Director Hoffman noted that the requested amount for the project is not in the capital budget; Ms. Combs advised that is why it was presented for Board consideration. He also noted that the projected cost of maintenance was not included in the proposal and requested that the projected budget be update to include that information.

Julie Fontana, Wellness Coordinator for the Morongo Unified School District (MUSD) spoke in support of the purchase and use of the unit. MUSD has been collaborating with the District for over nine months to offer medical and dental services to students. She thanked Jackie Combs, Joe Ruddon and Ron Stewart for presenting the project.



Jackie Combs, CEO, concluded the education presentation with the review of the projected annual budget for the project. The Directors asked for the following clarification.

Director Hoffman noted his appreciation for all of the work to present the project; his biggest concern is the ongoing maintenance cost for the vehicle. Ms. Combs stated that a unique cost center will be maintained for this clinic as it is for the existing clinics.

Director Doyle inquired about drivers; Ms. Combs stated that while Medical Assistants could be trained to drive, the preference is to use our existing trained driving staff. There was discussion about the disposal of black water; costs and location of dumping will be explored.

It was confirmed that all quotes presented by Joe Ruddon were “like to like” and comparable between manufacturers.

Director Armstrong thanked staff and CT Coachworks for the presentation noting that the Staff has moved quickly to meet this great need in the community.

Director Hoffman proposed a special business meeting before the end of April to present a full business plan for approval (including vehicle maintenance costs). Time is important so that the unit is ready at the start of the 2018-19 school year.

ACTION ITEMS

PURCHASE OF MOBILE CLINIC VEHICLE – Jackie Combs, CEO

Motion 18-25: The motion was deferred to the special meeting.

Director Doyle stated that she is very proud to be part of the Board and the District. It is so clear that we want to serve the community. Helping schools and outlying areas has been a dream since she joined the Board.

LAFCO ELECTIONS – Jackie Combs, CEO

The action item was presented by Ms. Combs for discussion. After discussion, the Directors were unanimous in voting to abstain from all three of the ballots (Special District Member of the Countywide Oversight Board; Alternate Special District Member of the Countywide Oversight Board; and Regular Special District Member of LAFCO) because they did not know the nominees.

Motion 18-26: Motion by Director Hoffman to abstain for all three of the LAFCO ballots, second by Director Greenhouse.

- ♦ Ayes: 4
- ♦ Noes: 0
- ♦ Absent: 1
- ♦ Abstain: 0

REPORTS

FINANCIAL REPORT – Jackie Combs, CEO

Ms. Combs presented the financial report for February, 2018 that was included in the board agenda packet. The financial results for the month of February were above projections as the operating net surplus (EBITDA) was \$202,365 compared to a budget of \$143,352. Year-to-date operating net surplus is 45.79% above budget. A main factor in the positive variance are the higher revenues from the year’s increase in patient visits over projections.

The health center’s revenue was 9% above budget; District operational revenue was 10% above budget; transportation revenues exceeded budget due to the MBTA grant and the health center’s share of expense reimbursement.



Transportation expenses were 15% below budget; health center operating expenses were 8% over budget driven by higher contract provider payments because of increased visits; District expenses were 15% below budget.

The consolidated net income for the month was a positive \$99,435. This reflects the deduction of depreciation and other non-operating expenses of \$103,306 from the operating net surplus. Year-to-date consolidated net income is \$953,225.

Increased assets and liabilities in February reflect the pass-through of a Medi-Cal payment due to Tenet at the close of the month. The funds were subsequently transferred in March. The ratio analysis of Balance Sheet and Income Statement items indicate the continued strong financial position of the District.

Motion 18-29: Motion by Director Hoffman to accept the financial report as presented; second by Director Doyle; motion passed by unanimous vote.

MORONGO BASIN HEALTHCARE DISTRICT – Jackie Combs, CEO

Ms. Combs referred the board members to Tab 5 in the Agenda packet. There were no questions from the board about the information provided.

Ms. Combs introduced Deborah Anderson, recently hired Controller for the District.

CALENDAR REVIEW AND COORDINATION

The calendars for the Board of Directors were reviewed and coordinated.

- Ms. Combs asked to schedule the Special Board meeting on April 30 at 3:00pm with the Foundation's annual meeting to immediately follow the business meeting.

DIRECTOR COMMENTS

- Director Greenhouse: She complimented Mary Hall and Evelyn Ferris of CT Coachworks for the superb job of presenting information; She thanked Joe Ruddon for his work on the project, and welcomed Debbie Anderson to the team.
- Director Doyle: She welcomed Debbie Anderson; thanked Joe Ruddon, Jackie Combs and Ron Stewart for their efforts on behalf of this new outreach project noting that it is going to make a difference in our community.
- Director Hoffman: "Ditto" Director Greenhouse's comments.
- Director Armstrong: commented that he agrees with Director Doyle's comments. He continued, "One of the things about government is the time it takes to accomplish things; the pro-active approach that this board and staff have taken are commendable; they have responded in a relatively quick fashion. It's very fulfilling to work with a board that wants to get moving and accomplish things."

He expanded his comments to include, "There's a very clear path to economic development that came out of the needs assessment; one of the things that could improve the economy would be that this community needs good access to the Internet. If we don't pursue this, we are leaving our kids behind; our schools would prefer to use tablets but the cost is prohibitive for families to get Internet; many who live north of 62 have no Internet access (is non-existent). The current solution is to get a satellite system, which is expensive and inconsistent. Access to Internet services is the number one question in private business (real estate). I have spoken with Basin City leaders; how can we put together a group that can collaborate to bring access to the



community. There was a bill passed a year ago specifically designed to bring Internet to rural areas. Lack of Internet creates isolation. I strongly believe that this is something we need to do with the cities, school district and county. I have taken the first step in starting the dialogue; putting it on property tax rolls would make a difference in this economy. I want to raise awareness of this issue; it is an attainable goal and I'm asking everyone to support this issue.”

Ms. Combs noted that the new EMR system purchased by the District will allow for a patient portal, which would require connectivity.

Director Doyle stated that there is a bill with \$40 billion to provide broadband in rural communities; the problem is that it has been given as a block grant to states and they can use it for whatever they want – they don't have to use it for the Internet. We should advocate this through the ACHD.

OPEN SESSION ADJOURNED

Director Armstrong adjourned the open session at 7:04 p.m.

CONVENE TO CLOSED SESSION

The Board of Directors convened at 7:10 p.m. to Closed Session pursuant to:

- Pursuant to Government Code section 32106 of the Health and Safety Code: Report involving Trade Secret. Estimated date of public disclosure is projected to May, 2018.


RECONVENE TO OPEN SESSION

The Board of Directors reconvened to Open Session at 7:45 p.m. Director Armstrong directed Staff to report additional information and progress as available.

MEETING ADJOURNMENT

Director Armstrong adjourned the meeting at 7:46 p.m.

Board meeting minutes recorded by K. Graley, Board Clerk.



Bob Armstrong, President



Dianne Markle-Greenhouse, Secretary

CLOSED SESSION DISCLOSURE: The presentation of the Mobile Clinic Project is the outcome of the closed session dated March 1, 2018.